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5 UNITED STATES DISTRICT COURT  
6 WESTERN DISTRICT OF WASHINGTON  
7 AT SEATTLE

8 UNITED STATES OF AMERICA,

9 Plaintiff,

10 v.

11 WILLIAM P. SCHMIDT, *et al.*,

12 Defendants.

Case No. C16-0985RSL

ORDER STRIKING JURY DEMAND

13 This matter comes before the Court on the “United States of America’s Motion to Strike  
14 Jury Demand.” Dkt. # 49. Plaintiff filed this action to reduce to judgment the outstanding federal  
15 income tax assessments against defendant William P. Schmidt (Count 1), to determine that  
16 Schmidt is the true owner of a parcel of real property in Tukwila, WA, that was fraudulently  
17 conveyed to defendants Sufian Hamad and Riverton Holding, LLC (Count 2), and to foreclose  
18 on and sell the property (Count 3). Because Hamad and Riverton Holding claim an interest in the  
19 property, they were named as defendants.

20 “The Seventh Amendment . . . secures the right to a jury trial for ‘suits in which *legal*  
21 rights [are] to be ascertained and determined, in contradistinction to those where equitable rights  
22 alone [are] recognized, and equitable remedies [are] administered.’” Teutscher v. Woodson, 835  
23 F.3d 936, 943 (9th Cir. 2016) (quoting Chauffeurs, Local 391 v. Terry, 494 U.S. 558, 564 (1990)  
24 (emphasis and alterations in original) (quoting Parsons v. Bedford, 3 Pet. 433, 447 (1830))). In  
25 this case, the United States seeks a money judgment for tax assessments owed by defendant  
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ORDER STRIKING JURY DEMAND

1 Schmidt, which is arguably a statutory action analogous to common law causes of action decided  
2 by English law courts in the late 18th century and indisputably involves a traditional form of  
3 relief offered in those courts. The Court assumes, for purposes of this analysis, that Schmidt  
4 could have demanded a trial by jury on the tax assessment claim. He did not, however, and has  
5 therefore waived his Seventh Amendment right under Fed. R. Civ. P. 38(d).<sup>1</sup>

6 The relief the United States seeks that may have an impact on Hamad and Riverton  
7 Holding -- the setting aside of a purportedly fraudulent transfer -- is exclusively equitable in  
8 nature. Plaintiff seeks to compel the sale of real property: it does not seek damages from either  
9 Hamad or Riverton Holding. A prevailing party's ability to recover fees and costs under Rule 54  
10 does not convert an equitable claim into a legal claim and does not trigger the right to a jury. See  
11 Fed. R. Civ. P. 54(d) (specifying that costs are awarded by the clerk and attorney's fees and  
12 nontaxable expenses can be awarded on motion).

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14 For all of the foregoing reasons, plaintiff's motion is GRANTED and the jury demand  
15 filed in this case is hereby STRICKEN.

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17 Dated this 1st day of November, 2017.

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19 Robert S. Lasnik  
20 United States District Judge  
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25 <sup>1</sup> If, as they contend, defendants Hamad and Riverton Holding have a right to step into Schmidt's  
26 shoes to litigate the validity of the tax lien in the first instance, they would be bound by his waiver.